

United States District Court

FOR THE
NORTHERN DISTRICT OF CALIFORNIA

VENUE: SAN FRANCISCO

UNITED STATES OF AMERICA,
V.

ROBERT ROWEN and TERESA SU,

CR 19-486 CRB

DEFENDANT(S).

SUPERSEDING INDICTMENT

18 U.S.C. § 371 – Conspiracy To Defraud the United States;
26 U.S.C. § 7201 – Tax Evasion

A true bill.



Foreman

Filed in open court this 16th day of

January 2020



Clerk

Bail, \$

ISSUE SUMMONS

as to both defendants



SALLIE KRAWCHECK

United States Magistrate Judge

FILED
2020 JAN 16 A 11:54
U.S. DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
CLERK: NO. 19-486 CRB

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURT
 BY: ☐ COMPLAINT ☐ INFORMATION ☐ INDICTMENT
☒ SUPERSEDING
OFFENSE CHARGED
 18 U.S.C. Sect. 371 - Conspiracy
 26 U.S.C. Section 7201 - Evasion

☐ Petty
☐ Minor
☐ Misdemeanor
☒ Felony

 PENALTY: 18 U.S.C. Sect. 371 - 5 years imprisonment, \$250,000 fine, 3 years supervised release, \$100 special assessment;
 26 U.S.C. Section 7201 - 3 years imprisonment, \$250,000 fine, 1 year supervised release, \$100 special assessment

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

DEFENDANT - U.S.

Robert Rowen

DISTRICT COURT NUMBER

19-CR-0486-CRB

 FILED
 JAN 16 2020
 SUSAN Y. SOONG
 CLERK, U.S. DISTRICT COURT
 NORTH DISTRICT OF CALIFORNIA
PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

Internal Revenue Service

☐ person is awaiting trial in another Federal or State Court, give name of court

☐ this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District

☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:

☐ U.S. ATTORNEY ☐ DEFENSE

SHOW DOCKET NO.

☐ this prosecution relates to a pending case involving this same defendant

MAGISTRATE CASE NO.

☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

Name and Office of Person

Furnishing Information on this form David L. Anderson

☒ U.S. Attorney ☐ Other U.S. Agency

Name of Assistant U.S.

Attorney (if assigned) Cynthia Stier

DEFENDANT**IS NOT IN CUSTODY**

Has not been arrested, pending outcome this proceeding.

 1) ☒ If not detained give date any prior summons was served on above charges
2) ☐ Is a Fugitive3) ☐ Is on Bail or Release from (show District)**IS IN CUSTODY**4) ☐ On this charge5) ☐ On another conviction
☐ Federal ☐ State
6) ☐ Awaiting trial on other charges

If answer to (6) is "Yes", show name of institution

 Has detainer been filed? ☐ Yes ☐ No

If "Yes" give date filed

DATE OF ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted
ADDITIONAL INFORMATION OR COMMENTS**PROCESS:**
☒ SUMMONS ☐ NO PROCESS* ☐ WARRANT

Bail Amount: _____

If Summons, complete following:

☒ Arraignment ☐ Initial Appearance

Defendant Address:

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: February 26, 2020 10:30 Before Judge: Spero

Comments:

AO 257 (Rev. 6/78)

DEFENDANT INFORMATION RELATIVE TO A CRIMINAL ACTION - IN U.S. DISTRICT COURTBY: ☐ COMPLAINT ☐ INFORMATION ☐ INDICTMENT☒ SUPERSEDING**OFFENSE CHARGED**18 U.S.C. Sect. 371 - Conspiracy
26 U.S.C. Section 7201 - Evasion☐ Petty
☐ Minor
☐ Misdemeanor
☒ FelonyPENALTY: 18 U.S.C. Sect. 371 - 5 years imprisonment, \$250,000 fine, 3 years supervised release, \$100 special assessment;
26 U.S.C. Section 7201 - 3 years imprisonment, \$250,000 fine, 1 year supervised release, \$100 special assessment

Name of District Court, and/or Judge/Magistrate Location

NORTHERN DISTRICT OF CALIFORNIA

SAN FRANCISCO DIVISION

DEFENDANT - U.S.

Teresa Su

DISTRICT COURT NUMBER

19-CR-0486-CRB

PROCEEDING

Name of Complainant Agency, or Person (& Title, if any)

Internal Revenue Service

☐ person is awaiting trial in another Federal or State Court, give name of court☐ this person/proceeding is transferred from another district per (circle one) FRCrp 20, 21, or 40. Show District☐ this is a reprosecution of charges previously dismissed which were dismissed on motion of:☐ U.S. ATTORNEY ☐ DEFENSESHOW
DOCKET NO.☐ this prosecution relates to a pending case involving this same defendantMAGISTRATE
CASE NO.☐ prior proceedings or appearance(s) before U.S. Magistrate regarding this defendant were recorded under

Name and Office of Person

Furnishing Information on this form David L. Anderson

☒ U.S. Attorney ☐ Other U.S. Agency

Name of Assistant U.S.

Attorney (if assigned)

Cynthia Stier

DEFENDANT**IS NOT IN CUSTODY**

Has not been arrested, pending outcome this proceeding.

1) ☒ If not detained give date any prior summons was served on above charges2) ☐ Is a Fugitive3) ☐ Is on Bail or Release from (show District)**IS IN CUSTODY**4) ☐ On this charge5) ☐ On another conviction☐ Federal ☐ State6) ☐ Awaiting trial on other charges

If answer to (6) is "Yes", show name of institution

Has detainer been filed? ☐ Yes ☐ No

If "Yes" give date filed

DATE OF
ARREST

Month/Day/Year

Or... if Arresting Agency & Warrant were not

DATE TRANSFERRED
TO U.S. CUSTODY

Month/Day/Year

☐ This report amends AO 257 previously submitted**ADDITIONAL INFORMATION OR COMMENTS****PROCESS:**☒ SUMMONS ☐ NO PROCESS* ☐ WARRANT

Bail Amount: _____

If Summons, complete following:

☒ Arraignment ☐ Initial Appearance

Defendant Address:

* Where defendant previously apprehended on complaint, no new summons or warrant needed, since Magistrate has scheduled arraignment

Date/Time: February 26, 2020 10:30 Before Judge: Spero

Comments:

FILED
2020 JAN 16 A 11:54
SUSAN Y. SOONG
CLERK, US DISTRICT COURT
NO. DIST. OF CA.
[Signature]

DAVID L. ANDERSON (CABN 149604)
United States Attorney

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

UNITED STATES OF AMERICA,)	Case No. 19-cr-0486-CRB
)	
Plaintiff,)	<u>VIOLATIONS:</u>
v.)	
)	18 U.S.C. § 371 – Conspiracy To Defraud the United
ROBERT ROWEN and TERESA SU,)	States;
)	26 U.S.C. § 7201 – Tax Evasion
Defendants.)	
)	
)	SAN FRANCISCO VENUE

SUPERSEDING INDICTMENT

The Grand Jury charges:

Introductory Allegations

At all times relevant to the Superseding Indictment:

1. The Internal Revenue Service ("IRS") is an agency of the United States of America within the Department of the Treasury.
2. The Internal Revenue Code (Title 26 of the United States Code) contains the statutes and laws of the United States concerning, among other things, tax liability. "Federal income tax" refers to the tax due the United States under the Internal Revenue Code.
3. ROBERT ROWEN ("ROWEN") and TERESA SU ("SU") were husband and wife

1 during all times relevant to this Superseding Indictment. They were residents of Sebastopol, California.

2 4. ROWEN and SU were medical doctors practicing alternative medicine at their medical
3 clinic in Santa Rosa, California, during all times relevant to this Superseding Indictment.

4 5. A.S. worked for ROWEN and SU at their medical clinic from approximately February
5 2006 until 2008, then as the medical clinic's off-site bookkeeper from 2012 until at least August 8, 2019.

6 6. Lotus Management, LLC was a business owned and controlled by ROWEN during all
7 times relevant to this Superseding Indictment.

8 7. Soundview Communications, Inc. was a company located in Georgia, during all times
9 relevant to this Superseding Indictment.

10 8. R.M. worked at R.M. Trading, LLC, a gold coin and precious metals brokerage business
11 located in Michigan, at all times relevant to this Superseding Indictment.

12 9. J.P. worked at Oxbridge Coins, a gold coin and precious metals business located in San
13 Francisco, at all times relevant to this Superseding Indictment.

14 The Conspiracy and Scheme to Evade

15 10. The manner and means by which the conspiracy was sought to be accomplished included,
16 among others, the following:

17 11. ROWEN filed his 1992 through 1997 U.S. Individual Income Tax Returns [Forms 1040]
18 with the IRS in 1998, self-reporting a tax liability for each tax year for a combined total of \$179,042 in
19 taxes due and owing.

20 12. ROWEN filed his 2003 through 2008 Forms 1040 with the IRS in 2010, self-reporting a
21 tax liability for each tax year for a combined total of \$53,284 in taxes due and owing.

22 13. With knowledge of ROWEN's delinquent federal income tax liabilities, ROWEN and/or
23 SU attempted to evade payment thereof by: Concealing ROWEN's ability to pay; placing his assets out
24 of the reach of the United States Government; placing his assets in the names of nominees and/or an
25 alter ego; concealing his revenue by depositing it into nominee bank accounts; using cash to transact his
26 personal and professional business; converting his revenue to gold and silver coins; and providing false
27 information to the IRS and to the Courts about his ownership interest in assets and revenue, and other
28 property.

1 COUNT ONE: (18 U.S.C. § 371 – Conspiracy To Defraud the United States)

2 14. Paragraphs 1 through 13 of this Superseding Indictment are re-alleged and incorporated
3 as if fully set forth here.

4 15. From on or about January 3, 2007, and continuing to at least September 13, 2018, in the
5 Northern District of California,

6 ROBERT ROWEN, and
7 TERESA SU,

8 defendants herein, did unlawfully, voluntarily, intentionally and knowingly conspire, combine,
9 confederate, and agree together and with each other and with other individuals both known and
10 unknown to the Grand Jury to defraud the United States for the purpose of impeding, impairing,
11 obstructing, and defeating the lawful Government functions of the Internal Revenue Service (“IRS”) of
12 the Treasury Department in the ascertainment, computation, assessment, and collection of the revenue:
13 to wit, federal income taxes due and owing by ROBERT ROWEN to the United States.

14 Overt Acts

15 16. In furtherance of the conspiracy and to effect its objects, on or about the dates listed
16 below, in the Northern District of California and elsewhere, ROWEN, SU, and others, committed the
17 following overt acts, among others:

18 a. From on or about January 3, 2007, to at least April 11, 2014, ROWEN and SU instructed
19 patients at their medical clinic, either personally or through staff, to make their checks for medical
20 services payable to R.M. or J.P.;

21 b. from on or about January 3, 2007, to at least October 23, 2013, ROWEN, either
22 individually or through nominees, deposited patient checks into a BOA account in the name of R.M. to
23 purchase gold and silver coins;

24 c. from on or about October 25, 2013, until at least April 11, 2014, ROWEN, either
25 individually or through nominees, deposited patient checks into a BOA account in the name of J.P. to
26 purchase gold and silver coins;

27 //

28 //

1 d. from on or about January 3, 2007 to on or about April 11, 2014, ROWEN, both
2 individually and through nominees and Lotus, converted over \$3,900,000 of his revenue to gold and
3 silver coins;

4 e. on or about November 29, 2010, ROWEN and SU submitted to the IRS amended joint
5 U.S. Income Tax Returns for tax years 2003 through 2008, reporting a fake casualty loss;

6 f. on or about November 13, 2012, ROWEN and SU filed a lawsuit against the United
7 States of America in the U.S. District Court for the Northern District of California seeking to compel the
8 IRS to file their amended joint U.S. Income Tax Returns for tax years 2003 through 2008;

9 g. on or about July 29, 2014, SU filed an action against the United States of America in the
10 Superior Court of California, County of Sonoma, falsely representing that gold and silver coins seized
11 by the IRS in March 2014, were her separate property;

12 h. on or about July 7 and 24, 2014, ROWEN and SU falsely represented to the U.S. District
13 Court for the Northern District of California, that all of the assets seized by the IRS in March 2014,
14 which included gold and silver coins, were SU's separate property;

15 i. in or about March 2014, SU contacted a patient of the medical clinic after the IRS seized
16 that patient's check at the March 2014 civil seizure and requested the patient to stop payment on their
17 check and issue a new one;

18 j. on or about April 16, 2014, ROWEN falsely represented to the IRS that the assets seized
19 by the IRS in March 2014, which included gold and silver coins, were SU's separate property;

20 k. on or about October 19, 2015, SU sent a false 2014 Form 1040 to the IRS to be filed
21 reporting that the "vast majority of the assets" seized by the IRS in March 2014, which included gold
22 and silver coins, were her separate property;

23 l. on or about the following dates, October 10, 2016, October 16, 2017, and September 13,
24 2018, ROWEN and SU filed U.S. Return of Partnership Income Tax Returns [Form 1065] for tax years
25 2015, 2016 and 2017, falsely reporting each partner's share of income, deductions, and credits;

26 //

27 //

28 //

m. between October 15, 2013 and February 21, 2014, SU made cash payments to Chase Bank for her personal credit card, which included purchases for business expenses of the medical practice;

n. between November 26, 2012 and December 16, 2013, ROWEN made cash payments to a personal credit card at Chase Bank;

o. between December 20, 2013 and November 10, 2014, ROWEN used cash to purchase cashier's checks to pay rent for the medical practice, his malpractice premium, an attorney, and other expenses; and

p. on or about October 26, 2012, and January 25, 2013, ROWEN used cash to pay property taxes using a name other than his own.

All in violation of Title 18, United States Code, Section 371.

COUNT TWO: (26 U.S.C. § 7201 – Tax Evasion)

17. Paragraphs 1 through 16 of this Superseding Indictment are re-alleged and incorporated as if fully set forth here.

18. From on or about September 19, 2005, and continuing to at least on or about September 13, 2018, in the Northern District of California and elsewhere, the defendant,

ROBERT ROWEN,

did willfully attempt to evade and defeat the payment of the tax liabilities due and owing by him to the United States of America, for the periods and in the amounts identified below:

Period	Tax Form	Due Date of Return	Date Return Filed	Tax Due Reported on Tax Return Filed	Penalty Due on 3/20/14	Interest Due on 3/20/14
1992	1040	4/15/93	6/22/98	\$ 30,835	\$ 14,644.08	\$ 114,942.22
1993	1040	4/15/94	6/29/98	\$ 27,120	\$ 48,789.80	\$ 276,391.79
1994	1040	4/17/95	6/29/98	\$ 33,116	\$ 50,804.30	\$ 177,831.10
1995	1040	4/15/96	6/29/98	\$ 25,112	\$ 59,459.30	\$ 254,340.60
1996	1040	4/15/97	5/18/98	\$ 29,744	\$ 38,727.96	\$ 170,732.96
1997	1040	4/15/98	7/6/98	\$ 33,115	\$ 10,318.75	\$ 54,102.96
2003	1040	4/15/04	9/13/10	\$ 19,749	\$ 9,890.31	\$ 11,132.99
2004	1040	4/15/05	9/20/10	\$ 15,068	\$ 7,589.10	\$ 7,255.98
2005	1040	4/17/06	9/27/10	\$ 5,688	\$ 2,929.95	\$ 2,087.70

2006	1040	4/17/07	10/4/10	\$ 5,765	\$ 2,780.58	\$ 1,462.66
2007	1040	4/15/08	7/23/10	\$ 4,902	\$ 1,813.74	\$ 692.15
2008	1040	4/15/09	9/6/10	\$ 2,112	\$ 561.72	\$ 127.32
Total				\$ 232,326	\$248,309.59	\$1,071,100.43

by committing various affirmative acts of evasion, including:

- Concealing and attempting to conceal from the IRS the nature and extent of assets available to him to pay his federal income tax liabilities set forth above;
- forming Lotus on or about November 27, 2006, to receive his revenue from Soundview;
- directing A.S. to open a business checking account for Lotus at Wells Fargo, deposit the Soundview checks, then use the proceeds to purchase gold and silver coins for him;
- instructing patients at his medical clinic, either personally or through the staff, to make their checks for medical services payable to R.M. or J.P., then cause the checks to be deposited in R.M. and J.P.'s bank accounts;
- filing a lawsuit on or about September 19, 2005, against the United States of America in the U.S. District Court for the Northern District of California for a declaratory judgment as to "whether or not the plaintiff is a *taxpayer* pursuant to, and/or under 26 U.S.C. § 7701(a)(14)";
- submitting to the IRS amended joint U.S. Income Tax Returns for tax years 2003 through 2008, reporting a fake casualty loss;
- filing a lawsuit against the United States of America in the U.S. District Court for the Northern District of California on November 13, 2012, seeking to compel the IRS to file his amended joint U.S. Income Tax Returns for tax years 2003 through 2008;
- falsely representing to the U.S. District Court for the Northern District of California that the assets seized by the IRS in March 2014, including gold and silver coins, were SU's separate property.
- sending the IRS a letter in April 2014, falsely stating he had no assets or source of income;
- filing U.S. Return of Partnership Income Tax Returns [Form 1065] for tax years 2015, 2016 and 2017, falsely reporting each partner's share of income, deductions, and credits;

- 1 • making cash payment to a personal credit card at Chase Bank between November 26, 2012 to
- 2 December 16, 2013;
- 3 • using cash to purchase cashier's checks between December 20, 2013, and November 10, 2014, to
- 4 pay rent for the medical practice, his malpractice premium, and an attorney; and
- 5 • using cash to pay property taxes on or about October 26, 2012, and January 25, 2013.

6 All in violation of Title 26, United States Code, Section 7201.

7 COUNT THREE: (26 U.S.C. § 7201 – Tax Evasion)

8 19. Paragraphs 1 through 18 of this Superseding Indictment are re-alleged and incorporated
9 as if fully set forth here.

10 20. From on or about January 3, 2007, and continuing to at least September 13, 2018, in the
11 Northern District of California and elsewhere, the defendant,

12 TERESA SU,

13 did willfully attempt to evade and defeat the payment of the tax due and owing by ROWEN to the
14 United States of America for the tax years 1992 through 1997, and 2003 through 2008, by committing
15 various affirmative acts of evasion, including:

- 16 • Concealing and attempting to conceal from the IRS the nature and extent of assets available to
- 17 ROWEN to pay his federal income tax liabilities;
- 18 • from on or about January 3, 2007, to at least April 11, 2014, instructing patients at ROWEN and
- 19 SU's medical clinic, either personally or through the staff, to make their checks for medical
- 20 services payable to R.M. or J.P.;
- 21 • submitting amended joint U.S. Income Tax Returns to the IRS in on or about November 29,
- 22 2010 for tax years 2003 through 2008 reporting a fake casualty loss;
- 23 • on or about November 13, 2012, filing a lawsuit against the United States of America in the U.S.
- 24 District Court for the Northern District of California seeking to compel the IRS to file ROWEN
- 25 and SU's amended joint U.S. Income Tax Returns for tax years 2003 through 2008;
- 26 • on or about July 7 and 24, 2014, falsely representing to the U.S. District Court for the Northern
- 27 District of California, that all the assets seized by the IRS in March 2014, which included gold
- 28 and silver coins, was her separate property.

- on or about July 29, 2014, filing an action against the United States of America in the Superior Court for the State of California, County of Sonoma, falsely representing that gold and silver coins seized by the IRS in March 2014, were her separate property;
- filing U.S. Return of Partnership Income Tax Returns [Form 1065] for tax years 2015, 2016 and 2017, falsely reporting each partner's share of income, deductions, and credits;
- contacting a patient of the medical clinic in or about March 2014, after the IRS seized that patient's check at the March 2014 civil seizure, requesting the patient to stop payment on their check and issue a new one;
- making cash payments to a personal credit card at Chase Bank between October 15, 2013, and February 21, 2014 to pay for purchases including business expenses for the medical practice;
- on or about October 19, 2015, sending a false 2014 Form 1040 to the IRS to be filed reporting a "sale" of "Collectibles" sold on or about March 20, 2014 with a cost basis \$377,859, and a sales price of "806,139."

All in violation of Title 26, United States Code, Section 7201.

DATED:

January 16th 2020

A TRUE BILL



FOREPERSON

DAVID L. ANDERSON
United States Attorney


CYNTHIA STIER
Assistant United States Attorney

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA

CRIMINAL COVER SHEET

FILED
2020 JAN 16 A 11:55
CLERK, U.S. DISTRICT COURT
NO. DIST. OF CA

Instructions: Effective November 1, 2016, this Criminal Cover Sheet must be completed and submitted, along with the Defendant Information Form, for each new criminal case.

CASE NAME:

USA v. Robert Rowen and Teresa Su

CASE NUMBER:

CR 19-0486 CRB

Is This Case Under Seal? Yes No ☒

Total Number of Defendants: 1 2-7 ☒ 8 or more

Does this case involve ONLY charges under 8 U.S.C. § 1325 and/or 1326? Yes No ☒

Venue (Per Crim. L.R. 18-1): SF ☒ OAK SJ

Is this a potential high-cost case? Yes No ☒

Is any defendant charged with a death-penalty-eligible crime? Yes No ☒

Is this a RICO Act gang case? Yes No ☒

Assigned AUSA
(Lead Attorney): Cynthia Stier

Date Submitted: 1/16/2020

Comments: